IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

AXALTO, S.A. d/b/a GEMALTO, S.A.,	§
Plaintiff,	§ §
v.	8 8. CTVIII ACTION NO. A 00 CA 571 I X
STEPNEXUS, INC., HIVE	§ CIVIL ACTION NO. A 08 CA 571 LY §
MINDED, INC., and STEPNEXUS HOLDINGS,	9 9
Defendants.	§ §

RULE 26(f) JOINT REPORT OUTLINING DISCOVERY

PLAN TO THE HONORABLE UNITED STATES DISTRICT JUDGE:

Pursuant to Rule 26(f) of the Federal Rules of Civil Procedure, Plaintiff Axalto, S.A. d/b/a Gemalto, S.A. and Defendants StepNexus, Inc., Hive Minded, Inc. and StepNexus Holdings (collectively, the "Parties") file this Joint Report Outlining Discovery Plan, and would show the Court as follows:

- 1. Pursuant to Rule-26(f) of the Federal Rules of Civil Procedure, the Parties conferred on October 20, 2008 regarding the nature and basis of their claims and defenses, the possibility of settlement, mandatory disclosure, and the development of a pre-trial discovery plan.
- 2. The Parties agree that Rule 26(a) disclosures shall be served no later than November 3, 2008 and that such disclosures shall include copies of all documents and electronically stored information the disclosing party has in its possession, custody or control and may use to support its claims or defenses, unless the use would be solely for impeachment. The Parties request no other changes to the timing or form of Rule 26(a) disclosures.

- 3. The Parties have discussed the subjects on which discovery may be needed. The Parties agree that discovery may be needed regarding the negotiations of a purchase contract between the Parties, internal communications about potential corporate board approvals and about the terms set forth in the written purchase contract, communications with third-parties regarding the sale of the assets at issue, the consummation of the sale of the assets to a third-party, and the damages sought by plaintiff and counterplaintiff.
- 4. The Parties agree that all discovery shall be completed by the date contained in the attached scheduling order or as otherwise ordered by the Court.
- 5. The Parties have discussed the disclosure and discovery of electronically stored information. At this time, the Parties anticipate very limited electronic discovery in this case and do not believe that an electronic discovery plan is necessary.
- 6. The Parties have discussed and do not anticipate any issues of privilege or protection of electronic documents as trial preparation material at this time.
- 7. The Parties request no changes in discovery limitations and, at this time, request no orders under Rule 26(e) or Rule 16(c).
- 8. Pursuant to Local Rule CV-16(c), the Parties have attached a joint proposed scheduling order to this report.

Respectfully submitted,

HOGAN & HARTSON, L.L.P. Steven P. Hollman, Esq. District of Columbia Bar No. 375658 Rebecca C. Mandel, Esq. District of Columbia Bar No. 976808 HOGAN & HARTSON, L.L.P. 555 Thirteenth Street, N.W. Washington, D.C. 20004-1109 Telephone: 202-637-5600

Telephone: 202-637-5600 Facsimile: 202-637-5910

- and -

CLARK THOMAS & WINTERS,

A Professional Cosporation

By:

Mark A. Mayfield State Bar No. 13284390 Fred W. Sultan, IV State Bar No. 00797524

P.O. Box 1148 Austin, Texas 78767-1148 Telephone: (512) 472-8800

Facsimile: (512) 474-1129

ATTORNEYS FOR PLAINTIFF

MERICA & BOURLAND, P.C.

By:

JoAnn Merica State Bar No. 13952400 Sara M. Foskitt,

State Bar No. 24036583

400 West 15th Street, Suite 900 Austin, Texas 78701 Telephone: 477-0100

Facsimile: 477-0154

ATTORNEYS FOR ALL DEFENDANTS

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

AXALTO, S.A. d/b/a GEMALTO, S.A.	§	
Plaintiff,	& & &	
v.	§	CAUSE NO. A-08-CA-571-LY
	§	
STEPNEXUS, INC., HIVE	§	
MINDED, INC., AND STEPNEXUS	§	
HOLDINGS	§	
Defendants.	§ §	

SCHEDULING ORDER

Pursuant to Rule 16, Federal Rules of Civil Procedure, the Court issues the following scheduling order.

IT IS ORDERED THAT:

- 1. A report on alternative dispute resolution in compliance with Local Rule CV-88 shall be filed on or before November 20, 2008.
- 2. The parties asserting claims for relief shall submit a written offer of settlement to opposing parties on or before November 13, 2008, and each opposing party shall respond, in writing, on or before November 20, 2008. All offers of settlement are to be private, not filed, and the Court is not to be advised of the same. The parties are further ORDERED to retain the written offers of settlement and responses as the Court will use these in assessing attorney's fees and court costs at the conclusion of trial.
- 3. The parties shall file all amended or supplemental pleadings and shall join additional parties on or before December 5, 2008.

- 4. All parties asserting claims for relief shall file and serve on all other parties their designation of potential witnesses, testifying experts, and proposed exhibits, and shall serve on all other parties, but not file, the materials required by Federal Rule of Civil Procedure 26(a)(2)(B) on or before January 16, 2009. Parties resisting claims for relief shall file and serve on all other parties their designations of potential witnesses, testifying experts, and proposed exhibits and shall serve on all other parties, but not file, the materials required by Federal Rule of Civil Procedure 26(a)(2)(B) on or before February 17, 2009. All designations of rebuttal experts shall be filed and served on all other parties within fifteen (15) days of receipt of the report of the opposing expert, and the materials required by Federal Rule of Civil Procedure 26(a)(2)(B) for such rebuttal experts, to the extent not already served, shall be served, but not filed, on all other parties within fifteen (15) days of receipt of the report of the opposing expert.
- 5. An objection to the reliability of an expert's proposed testimony under Federal Rule of Evidence 702 shall be made by motion, specifically stating the basis for the objection and identifying the objectionable testimony, within eleven (11) days of receipt of the written report of the expert's proposed testimony or within eleven (11) days of the expert's deposition, if a deposition is taken, whichever is later. The failure to strictly comply with this paragraph will be deemed a waiver of any objection that could have been made pursuant to Federal Rule of Evidence 702.
- 6. The parties shall complete discovery on or before March 20, 2009. Counsel may, by agreement, continue discovery beyond the deadline, but there will be no intervention by the Court except in extraordinary circumstances, and no trial setting will be vacated because of information obtained in post-deadline discovery.
 - 7. All dispositive motions shall be filed and served on all other parties on or before

April 20, 2009 and shall be limited to twenty (20) pages. Responses shall be filed and served on all other parties within eleven (11) days of the service of the motion and shall be limited to twenty (20) pages. Any replies shall be filed and served on all other parties within eleven (11) days of the service of the response and shall be limited to ten (10) pages, but the Court need not wait for the reply before ruling on the motion.

The parties shall not complete the following paragraph 8. It will be completed by the Court at the initial pretrial conference to be scheduled by the Court.

8. This case is set for final pre	etrial conference, in chambers, on the day of
May, 20, at and tr	ial in the month of,
20 The final pretrial conference shall	be attended by at least one of the attorneys who will
conduct the trial for each of the parties an	d by any unrepresented parties. The parties should
consult Local Rule CV-16(e) regarding m	natters to be filed in advance of the final pretrial
conference.	
SIGNED this day of	, 2008.
	LEE YEAKEL
	UNITED STATES DISTRICT JUDGE

ACREED:

Steven P. Hollman District of Columbia Bar No. 375658 (Admitted *Pro Hac Vice*)

Rebecca C. Mandel District of Columbia Bar No. 976808 (Admitted *Pro Hac Vice*)

Mark A. Mayfield State Bar No. 13284390

Frederick W. Sultan, IV State Bar No. 00797524

ATTORNEYS FOR PLAINTIFF AXALTO, S.A. D/B/A GEMALTO, S.A. Qualificación

JoAnn Merica State Bar No. 13952400

Sara M. Foskitt State Bar No. 34036583

ATTORNEYS FOR ALL DEFENDANTS